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SENATE BILL 644

**48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007**

INTRODUCED BY

Ben D. Altamirano

AN ACT

RELATING TO PUBLIC ASSISTANCE; PROVIDING FOR MEDICAID  
REIMBURSEMENT RATES TO CERTAIN ENTITIES; MAKING AN  
APPROPRIATION; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. A new section of the Public Assistance Act is  
enacted to read:

"[NEW MATERIAL] MEDICAID REIMBURSEMENT FOR NURSING  
FACILITIES AND INTERMEDIATE CARE FACILITIES FOR THE MENTALLY  
RETARDED.--On July 1, 2007, the department shall adjust by four  
percent for inflation and cost indexing, as part of re-basing  
the medicaid reimbursement rates, the medicaid rates paid to  
nursing facilities as specified by medicaid regulations. On  
September 1, 2007, the department shall adjust by four percent  
for inflation the medicaid rates paid to intermediate care

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underscoring material = new  
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1 facilities for the mentally retarded."

2 Section 2. A new section of the Public Assistance Act is  
3 enacted to read:

4 "[NEW MATERIAL] ANNUAL RATE ADJUSTMENT.--The new provider  
5 rates each year shall equal the previous year's rate plus the  
6 current market basket index inflation adjustment as determined  
7 by the federal centers for medicare and medicaid services. In  
8 years when the reimbursement rate is re-based, the market  
9 basket index shall be used to index each provider's operating  
10 costs to a common point of December 31 for the base year and  
11 then indexed to a midpoint of the rate year to adjust for  
12 inflation."

13 Section 3. APPROPRIATION.--

14 A. Two million four hundred twelve thousand four  
15 hundred dollars (\$2,412,400) is appropriated from the general  
16 fund to the human services department for expenditure in fiscal  
17 year 2008 and subsequent fiscal years as follows:

18 (1) effective July 1, 2007, two million one  
19 hundred four thousand four hundred dollars (\$2,104,400), to  
20 include an inflation adjustment of four percent as part of re-  
21 basing the medicaid reimbursement rates, to licensed nursing  
22 facilities; and

23 (2) effective September 1, 2007, three hundred  
24 eight thousand dollars (\$308,000), to include an inflation  
25 adjustment of four percent, to licensed intermediate care

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underscored material = new  
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1 facilities for the mentally retarded.

2 B. Any unexpended or unencumbered balance remaining  
3 at the end of a fiscal year shall not revert.

4 Section 4. EMERGENCY.--It is necessary for the public  
5 peace, health and safety that this act take effect immediately.